

BEFORE THE
FEDERAL MARITIME COMMISSION

PETITION OF UNITED PARCEL SERVICE,
INC. FOR EXEMPTION PURSUANT TO
SECTION 16 OF THE SHIPPING ACT OF 1964
TO PERMIT NEGOTIATION, ENTRY AND
PERFORMANCE OF SERVICE CONTRACTS

FMC Petition No. **P3-03**

PETITION OF NATIONAL CUSTOMS
BROKERS AND FORWARDERS
ASSOCIATION OF AMERICA, INC. FOR
TARIFF REQUIREMENTS OF THE SHIPPING
ACT OF 1964

FMC Petition No. **P5-03**

PETITION OF OCEAN WORLD LINES, INC.
FOR A RULEMAKING TO AMEND AND
EXPAND THE DEFINITION AND SCOPE OF
"SPECIAL CONTRACTS" TO INCLUDE ALL
OCEAN TRANSPORTATION INTERMEDIARIES

FMC Petition No. **P7-03**

PETITION OF BAX GLOBAL INC. FOR
RULEMAKING

FMC Petition No. **P8-03**

PETITION OF C.H. ROBINSON WORLDWIDE,
INC. FOR EXEMPTION
PURSUANT TO SECTION 16 OF THE
SHIPPING ACT OF 1984 TO PERMIT
NEGOTIATION, ENTRY AND PERFORMANCE
OF CONFIDENTIAL SERVICE CONTRACTS

FMC Petition No. **P9-03**

COMMENTS OF SIRVA, INC.

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FEDERAL MARITIME COMMISSION

Date: January 16, 2004

Introduction

SIRVA, Inc. ("SIRVA"), a U.S. corporation with offices at 700 Oakmont Lane, Westmont, Illinois 60559, hereby submits its comments on the Petitions referenced above. SIRVA owns North American Van Lines, Inc. and Allied Van Lines, Inc. and is one of the largest U.S. moving companies handling international shipments of household goods.

SIRVA, through its FMC-licensed subsidiaries, Allied International N.A., Inc. ("Allied") and SIRVA Freight Forwarding, Inc. dba North American International ("North American"), provides forwarding and NVOCC services for shipments of used household goods in the United States and between the United States and various foreign countries. For reasons more fully set forth below, SIRVA requests that the Federal Maritime Commission ("Commission") grant the petition of the National Customs Brokers and Forwarders Association of America, Inc. ("NCBFAA") to eliminate NVOCC tariff filing requirements.

Shippers of Household Goods Do Not Use Tariffs

SIRVA's household goods shippers fall into three categories. Some of them are private individuals moving their household possessions from one residence to another. Another category consists of large multinational companies that purchase international household goods moving services for their employees. The third category consists of relocation management companies that act as intermediaries between multinational employers and household goods moving companies.

Private individuals use international household goods companies infrequently, particularly for international movements, because most people simply don't change residences that often, especially for moves between two countries. These individuals use the SIRVA companies for reasons that largely have nothing to do with rates. They

are looking for companies with good reputations and “household names” with whom they can trust their most valued possessions. These types of shippers generally are not even aware that tariffs exist and would not be sophisticated enough in transportation practices and terminology to be able to use tariffs effectively. Therefore, for these types of shippers, the Shipping Act’s tariff filing requirements are, as a practical matter, useless. In SIRVA’s view, the FMC’s licensing and bonding regulations provide these types of shippers with far more effective protections.

The large multinational corporations and third party relocation management companies are, on the other hand, sophisticated consumers of international transportation and moving services. These customers do not use tariffs because tariffs are far too simplistic for their needs covering, as they do, a limited range of rates and services. In fact, whether or not tariffs are in place, these types of customers demand that international moving companies deal with them on a contractual basis. Indeed, most of these customers require the use of their own standardized contracts. For these reasons, tariffs are also of no practical value to these types of shippers of household goods.

Household Goods Services are Extremely Particularized and Individualized

Household goods moving is a very specialized segment of the transportation industry. Further, each shipment involves a particular pair of residences with unique physical characteristics and a highly specific point-to-point movement of a unique mix of items. Therefore, no two shipments are alike. Tariffs, on the other hand, derive from, and are designed to effectuate, principles of common carriage. It should not be surprising, therefore, that tariff filing for international household goods shipments is an extremely complex and difficult task akin to “fitting a square peg into a round hole.”

Since every international shipment of household goods is unique and necessarily involves a multimodal mix of services (because there is always an inland portion to the move), filing a tariff at the FMC cannot possibly encompass the full range of services and pricing for a single move. Trying to file tariffs for multiple moves (the SIRVA companies handle thousands of international shipments each year) imposes heavy burdens of extra costs and management resources.

Elimination of Tariff Filing for NVOCCs in the Household Goods Business is Necessary and Appropriate

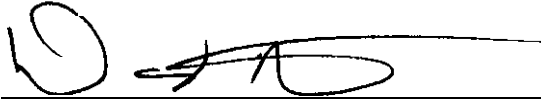
As discussed above, filing tariff rates for international household goods shipments is a time consuming and costly process that, in any event, captures only a portion of the total services being provided to the customer. Moreover, SIRVA's customers do not use tariffs. They are meaningless to the private individual householder that uses SIRVA's services once or twice in their lives. They are irrelevant to SIRVA's large corporate customers who require that all business be done pursuant to negotiated contracts.¹ NVOCC tariff requirements for the international household goods moving industry, therefore, are simply a useless and burdensome expense. For these reasons, they should be eliminated, and SIRVA hereby respectfully requests that the Commission do so by granting the NCBFAA's petition.

The NCBFAA and other NVOCC Petitioners and Commenters have amply demonstrated the generalized need for the elimination of NVOCC tariff filing requirements and the Commission's jurisdiction and authority pursuant to Section 16 of the Shipping Act, 46 App. U.S.C. §1715, to grant the NCBFAA's petition for an

¹ Any rates that SIRVA files in its NVOCC tariffs arising from these contracts in order to meet regulatory obligations are completely meaningless to these customers.

exemption. SIRVA has nothing to add to their submissions on these points and wishes to express its full support for their arguments and evidence on these issues.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'D. Street', written over a horizontal line.

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